

House Bill 14
Information Technology Projects
Department of Administration
Network Expansion
Public Safety Radio Consortium
Public Safety Radio Interoperability
Statewide E-911 Network

Proponent Testimony by Dick Clark, Chief Information Officer (CIO)
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Department of Administration
444-2777

Before the
House Appropriations Subcommittee
March 20, 2007

Mr. Chairman, members of the committee, for the record my name is Dick Clark. I am the Chief Information Officer (CIO) of the State of Montana.

Addressing specifically the fiscal aspects of HB14 as it concerns ITSD; there are four project requests: 1) \$7,823,130 million for the Network Expansion, 2) \$5 million for the Public Safety Radio Consortiums, 3) \$3.5 million Public Safety Radio Interoperability Montana and 4) \$4 million for Statewide E-911; totaling \$20,323,130 for the fiscal 2009 biennium. These proposals are comprised of 100% OTO spending from the General Fund. They are no additional FTE's requested.

Network Expansion highlights are:

- Since the subcommittee hearing ITSD has worked with representatives of Montana's telecommunications industry to address concerns they have with the bill.
- ITSD has prepared an amendment which we feel addresses most, if not all, of the telecommunications companies concerns.
- As specified in the amendment, ITSD has committed to the industry that ITSD will not use any portion of the network capacity for carrying commercial traffic in competition with Montana's telecommunication industry.
- \$7,823,130 million OTO
- Estimated \$3,230,000 in annual on-going costs comprised of \$1,036,830 GF and \$2,193,170 other sources recovered through rates charged to state agencies.
- There are no requests for increased FTE

Public Safety Radio highlights are:

- Consortium Funding for \$5,000,000 (funding for local consortiums, towers, microwaves and repeaters)
- Estimated \$405,000 of annual on-going costs comprised of \$36,450 GF and \$368,550 other sources.
- Interoperability Montana for \$3,500,000 (redundant master controller in eastern Montana and microwave upgrades to provide redundant networks)

- Estimated \$390,000 in annual on-going costs comprised of \$35,100 GF and \$354,900 other sources.
- There are no requests for increased FTE

Statewide E-911 Network highlights are:

- Next step build out of Statewide E-911 for \$2,000,000
- Convert four 911 centers to Statewide Network for \$2,000,000
- Estimated \$300,000 in annual on-going costs which are 100% GF
- There are no requests for increased FTE

I thank you for the opportunity to testify before you today. Again, with your leadership and support of these projects, Montana will become more proactive, forward-looking, skilled, and better able to meet the large number of opportunities and challenges facing the State in the 21st Century.

I or the staff I brought is available to answer any questions you may have.

Thank you again.

Public Safety Radio (cont.)

The Two Part Strategy:

- Fund local consortium efforts to add additional counties to the statewide system
- Fund infrastructure upgrades to add capacity and provide redundancy to ensure continued operations

NP 729: Consortium Funding

- Funding for local consortiums
- Towers, microwave, repeaters

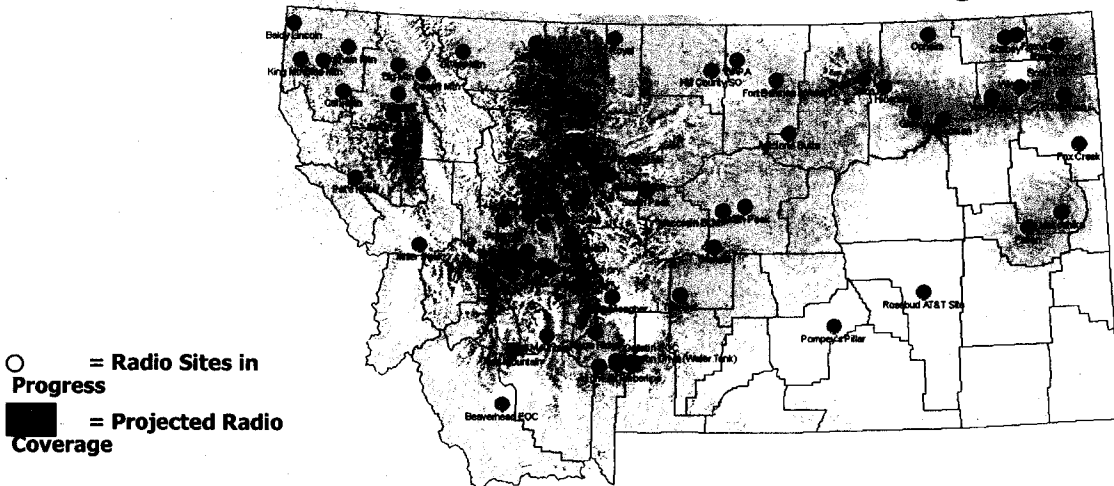
Infrastructure Improvement	\$1,300,000
Radio Trunking	\$1,700,000
Microwave Equipment	\$750,000
Project Management	\$750,000
Subscriber Units (radios)	\$250,000
Misc. Consortium Needs	\$250,000
Total:	\$5,000,000

NP 730: Interoperability Montana (IM)

- Redundant master controller in eastern Montana
- Microwave upgrades to provide redundant network

Master Controller	\$2,600,000
Construction	\$300,000
Microwave Upgrades	\$500,000
Project Management	\$100,000
Total:	\$3,500,000

Projected System Status with FY08/09 Funding



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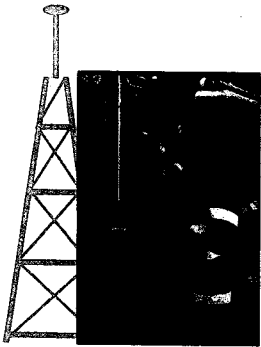
House Bill 14 – Public Safety Radio System

NP 729: Public Safety Radio Consortia

NP 730: Public Safety Radio-Interoperability Montana (IM)

The Problem: The State's public safety radio infrastructure is obsolete and is not in compliance with FCC mandates

Current radio systems hobbled by:



Funding

Aging radio systems

Inadequate maintenance

Poor radio coverage

Increasing channel congestion

Growing interference

Unnecessary duplication of infrastructure

Limited functionality

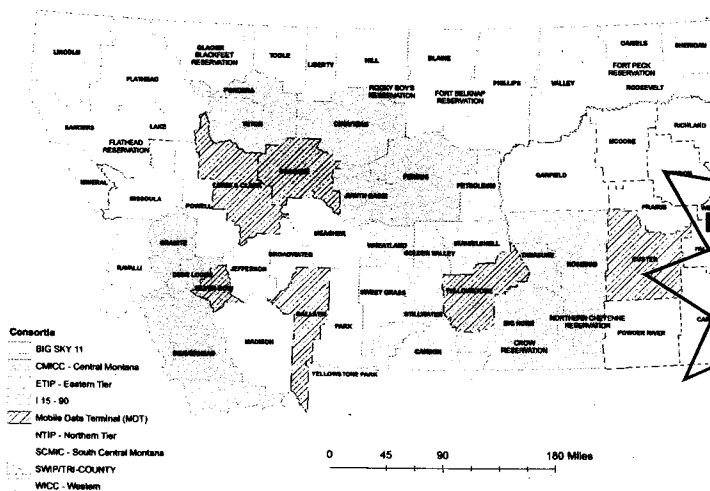
Potential for shifts in federal funding

FCC deadline: 2013

...A deteriorating public safety communications environment

The Requirement: Deploy an affordable public safety radio system that all state, local and federal agencies can share

Montana Interoperability Consortia



Multi-county consortia have been formed

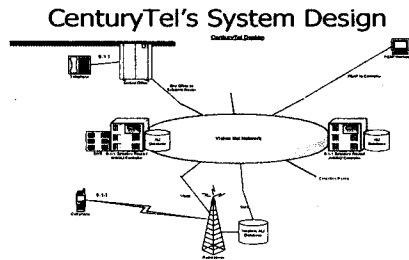
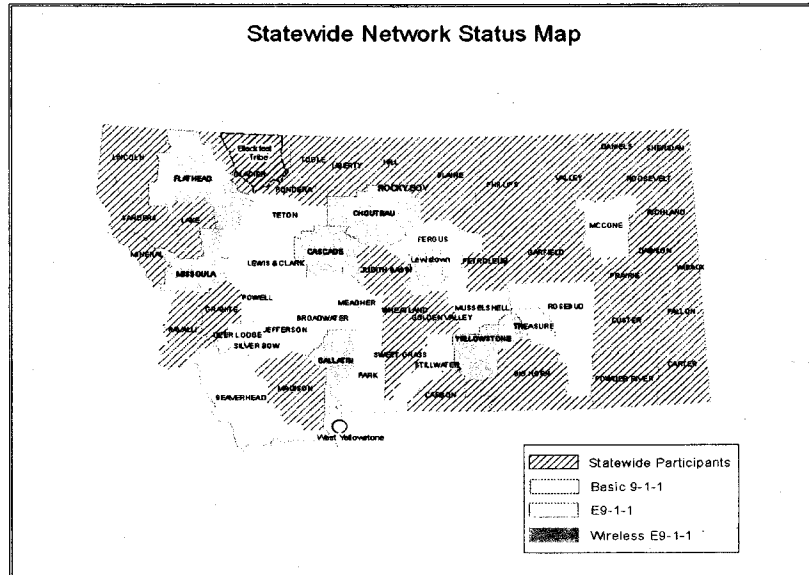


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Statewide E9-1-1 Network (cont.)

Current Status of Statewide E9-1-1 Network



CURRENT E9-1-1 DEPLOYMENT STATUS

Basic 9-1-1 Deployment (Land Line Only)
 Statewide

Enhanced 9-1-1 Deployment (Land Line Only) – 34 9-1-1 Centers
 Blaine, Broadwater, Butte/Silver Bow, Cascade, Central MT, Chouteau, Custer-Garfield, Daniels, Fallon/N. Carter/Wibaux/Prairie, Flathead, Gallatin, Glacier, Hill, Jefferson, Lake, Lewis & Clark, Liberty, Madison, Meagher, Missoula, Musselshell, Park, Pondera, Powell, Ravalli, Richland, Roosevelt, Sheridan, Stillwater, Teton, Valley, West Yellowstone, Wheatland/Golden Valley, Yellowstone

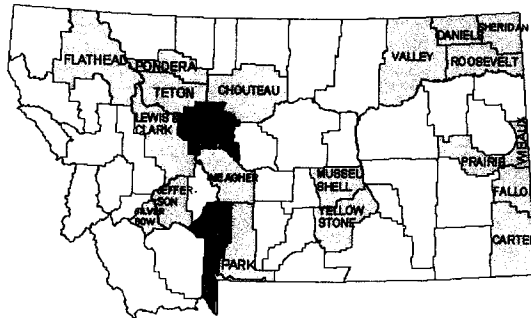
Wireless Enhanced 9-1-1 Deployment – Phase II - 6 9-1-1 Centers
 All Phase II: Cascade, Chouteau, Flathead, Gallatin, Missoula, Yellowstone

Next step build out of statewide E9-1-1 network	
Position Determining Equipment (PDE)	\$1,000,000
Installation, Management, Recurring Costs	\$ 800,000
Project Management	\$ 200,000
 Convert 4 9-1-1 Centers to statewide network	
Difference in monthly costs	\$ 600,000
One-time costs	\$ 200,000
Project management	\$ 200,000
System development	<u>\$1,000,000</u>
Total request:	\$4,000,000



House Bill 14 – Statewide E9-1-1 Network

The Problem: 57 PSAPs, pursuing 57 unique deployment strategies, had created a "Have's vs. Have-nots" where only 18 PSAPs had land-line E9-1-1 and only 2 PSAPs had wireless enhanced 9-1-1 in 2004



(Light BLUE: E9-1-1 deployed)

(BLUE: Phase I or II Wireless deployed)

The Requirement: Find an affordable E9-1-1 system that could be made available to all 57 PSAPs (9-1-1 Dispatch Centers)

The Strategy:

- **Secure Federal and private funding**
- **Bid and enter into a contract to provide a statewide system**

Federal Funding		
FFY03:	TYPE	AMOUNT
	E9-1-1	\$1,735,375
	Emergency Notification	\$1,900,000
FFY06:		
	E9-1-1	\$ 987,000
TOTAL:		\$4,622,375

Private (Grant) Funding		
2003:	TYPE	AMOUNT
	Public Safety Foundation Grant	\$ 50,000
2004:		
	PSAP Readiness Fund Grant	\$334,118
TOTAL:		384,118

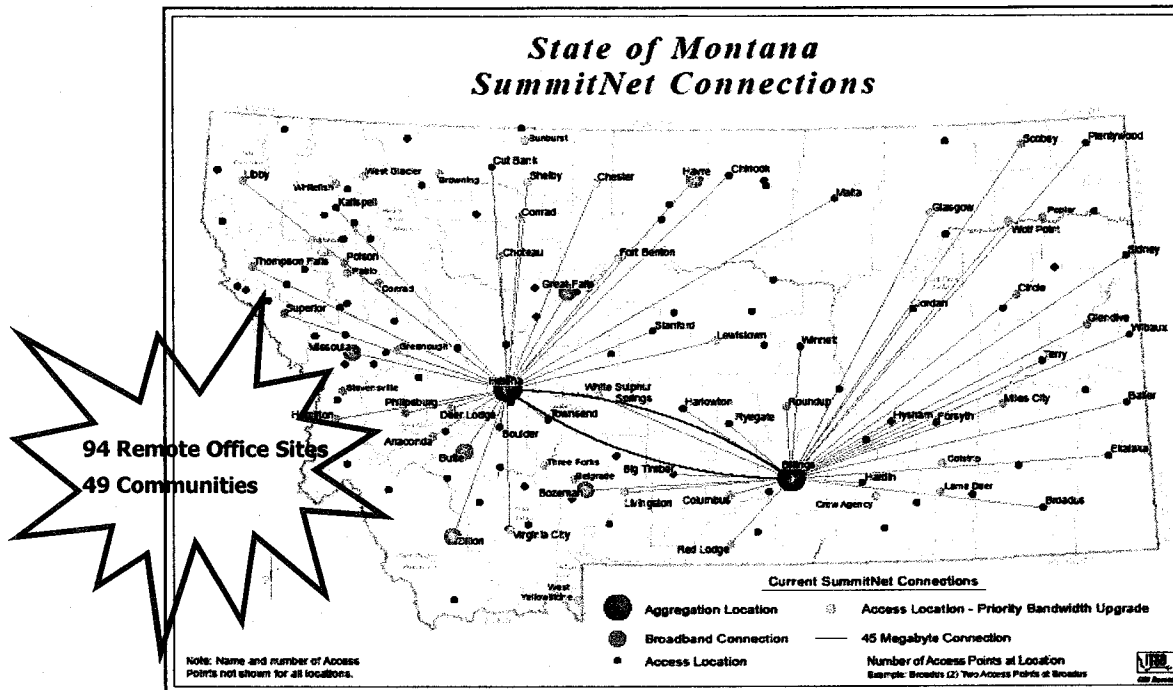


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State Data Network Upgrade (cont.)

The Solution: Obtain additional capacity on the "backbone" and remote office sites throughout the state by a competitive bid for leased telecommunications circuits



Cost Proposal (By Expenditure Category)

Expenditure Type	FY08/09		FY10/11
	One-Time	O&M	O&M
Equipment:			
▪ Equipment Purchases	\$ 4,248,000		
▪ Equipment Maintenance		\$ 579,000	\$579,000
Communications	\$ 2,651,000		2,651,000
Software	\$ 250,000		
Personal Services	\$ 0		
Contracted Services	\$ 95,000		
Total Biennium Cost:	\$7,823,000		\$3,230,000

No FTEs

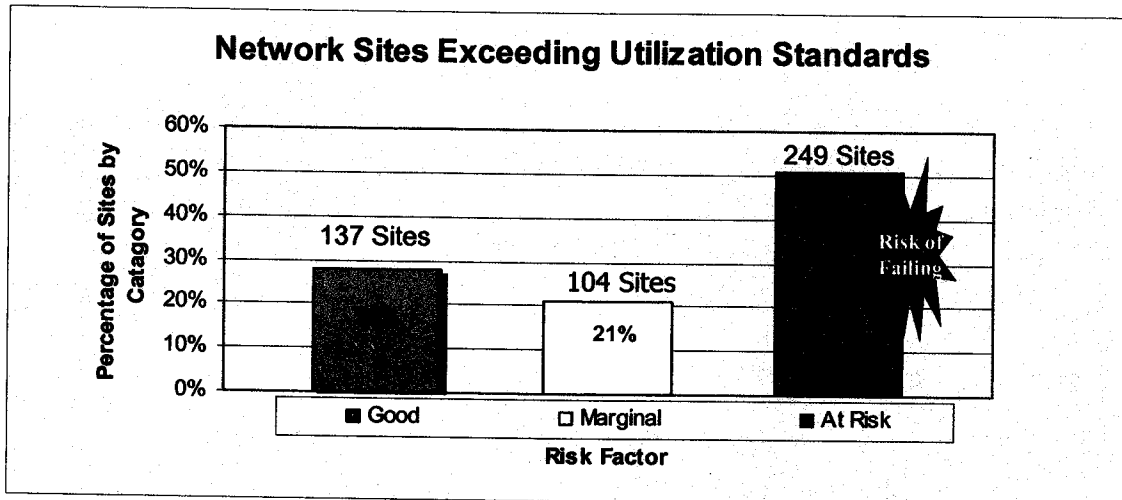


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House Bill 14

State Data Network Upgrade

The Problem: The State's leased network (SummitNet) is operating at (or over) capacity



- Current network (SummitNet) serves almost 500 State offices and University System campuses in 145 communities
- Current network (SummitNet) provided by 18 local telecommunications providers
- Network capacity is stressed: 51% of circuits are at risk of failure due to operating at over capacity

The Requirement: Obtain sufficient network capacity from the telecommunications companies to meet current and future needs at an affordable price

The Strategy: Ask the telecommunications companies to bid to multiple pricing models through a competitive bid:

- The State would have the option to buy network capacity "in bulk" by leasing existing fiber – The state would NOT place any new fiber in the ground
- Use the cost savings realized by buying "in bulk" on the backbone to increase the capacity at the remote sites

